

CHAPTER NO. 1039

HOUSE BILL NO. 3056

By Representatives Windle, Kisber

Substituted for: Senate Bill No. 3169

By Senator Davis

AN ACT to amend Tennessee Code Annotated, Title 56 and Title 63, Chapter 10, relative to participation of certain physicians in certain health care plans.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 63, Chapter 10, is amended by adding the following language as a new Part 7:

Section 63-10-701. (a) The board of medical examiners shall have the authority to modify any of its orders concerning actions taken pursuant to subsection 63-6-214(b)(10), upon request of any party, by issuing a conditional license to practice medicine in this state to a person whose license has previously been denied, withheld, suspended or revoked in accordance with that subsection because the individual was convicted of an offense under state or federal drug laws. The board may take such action only:

(1) After the expiration of any sentence imposed upon a person convicted of such an offense, without consideration of whether the individual was released or remained incarcerated throughout the term of such sentence; provided, however, in no event shall the board take such action until at least three (3) years following the expiration of such sentence;

(2) After the individual has fully complied with any other terms of such sentence, such as payment of a fine or performance of community services;

(3) If that individual has made arrangements that are satisfactory to the board, in its discretion, to practice under the supervision of a licensed physician for a period of not less than five (5) years after the issuance of the conditional license;

(4) The individual has entered into an agreement with the Tennessee Medical Foundation or other professional associations or foundations which the board, in its discretion, finds to be satisfactory, and

(5) The individual discloses the fact that he or she has a conditional license and the basis for such conditions, in writing, to all of his or her patients.

The failure of an individual who has been granted a conditional license pursuant to this subsection to fully comply with the conditions set forth in the preceding sentence shall be cause for the immediate termination of that conditional license in accordance with applicable provisions of Section 63-6-214.

(b) Any national, state or local public or private organization, institution, foundation, system, provider network or professional association or society that maintains a peer review committee or any managed care organization regulated under Title 56, Chapter 32, or any entity regulated under Chapters 7, 25, 26, 27, 28, 29, and 32 of Title 56 that contracts with or employs physicians to render health care services to individuals covered or insured by such organization or entity in accordance with applicable state laws and maintains a peer review committee shall not refuse to grant privileges to or contract with a physician solely because that physician has been convicted of an offense under state or federal drug laws prior to the effective date of this act, if:

(1)

(A) such physician has satisfied the conditions set forth in subsection (a); and

(B) the physician holds a conditional medical license issued pursuant to subsection (a); or

(2) Such physician:

(A) has a prior conviction of an offense under state or federal drug laws;

(B) has satisfied all disciplinary requirements imposed by any court and by order of the board of medical examiners of the State of Tennessee; and

(C) holds a current unrestricted medical license issued by the Board of Medical Examiners.

Provided, however, such entities or organizations shall not be required to grant privileges to or contract with such a physician, unless that physician:

(1) Is not subject to any Medicare, Medicaid or TennCare sanction;

(2) Has an unrestricted certificate from the federal drug enforcement administration;

(3) Satisfies all of the entity's or organization's credentialing requirements, including acceptance by an organization's peer review committee; and

(4) Accepts and complies with all terms and conditions of the privileges or contract offered to that physician by that entity or organization.

There is a presumption that an entity or organization who grants privileges to or contracts with a physician pursuant to this subsection has exercised reasonable care in taking such action.

The provisions of this section shall expire July 1, 2000.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 1, 1998


JIMMY RAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 18th day of May 1998


DON SUNDQUIST, GOVERNOR